GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:1910
ANSWERED ON:26.03.2012
ILLEGAL EXPORT OF IRON ORE
Pandey Shri Rakesh

Will the Minister of STEEL be pleased to state:

(a) whether there has been a huge rise in prices and a corresponding decline in the production of steel due to its illegal export;

(b) if so, the details thereof; and

(c) the corrective measure taken by the Government in the matter?

Answer

THE MINISTER OF STEEL(SHRI BENI PRASAD VERMA)

(a)&(b): During the last three years, the prices of steel items in the domestic market have been fluctuating in accordance with the market conditions, including demand supply scenario, price movement of raw materials, etc. A table indicating quarterly price movement in respect of representative category of steel items in market is annexed at Annexure-I. The production of steel has been increasing on year to year basis during the last three years, the data in this regard is annexed at Annexure-II.

Ministry of Steel has no information about any illegal export of steel.

(c) The prices of steel in the country are deregulated and are decided by the individual producers based on the market conditions such as demand supply scenario, movement in international steel market prices, cost of raw materials and other input costs. Considering the increasing steel demand in the domestic market, Government has taken various fiscal steps to maintain a steady supply position in the domestic market and also to boost steel production in the country. These are:

(i) Import duty on raw materials such as Coking Coal and Steel Melting Scrap is NIL

(ii) Export duty of 30% ad valorem has been imposed on export of all grades and varieties of iron ore (except pellets)

(iii) Import duty on Steel items is 5% to 10%.